

STATE OF WASHINGTON

WASHINGTON STATE LIQUOR CONTROL BOARD

1025 East Union Ave. Olympia, Washington 98504-2531

August 24, 1988

REVISED M.I.W. BULLETIN 127

TO: ALL BEER AND WINE WHOLESALERS

RE: EXTENSION OF CREDIT ON SOFT DRINKS AND BOTTLED WATERS -- TO RETAILERS--PROHIBITED BY BEER AND WINE MANUFACTURERS

With revised legislation in 1988, beer and wine wholesalers (and wholesalers only) are now allowed to extend credit to licensed retailers on soft drinks and bottled waters. Please refer to WAC 314-12-145 (as revised effective 6/4/88).

The question has arisen as to whether or not a manufacturer of soft drinks or bottled waters may also extend credit to retail licensees. Provided the soft drink/bottled water manufacturer is not also a manufacturer of beer or wine, the Liquor Act (Title 66 RCW) does not apply to the business practices between it and licensed retailers.

However, if the soft drink/bottled water manufacturer is also a manufacturer of beer or wine, extension of credit would be a violation for both the manufacturer and the licensed retailer.

Remember, beer and wine wholesalers may only extend 30 days credit on food products, soft drinks and bottled waters. Heavy equipment and novelty items must still be sold for cash at the time of delivery at a fair market rate.

I hope this clarifies any questions industry members may have. If you have any further questions, please feel free to contact your local MIW Officer or this office.

Sincerely,

Janice Lee Britt, Supervisor Manufacturers, Importers and

Wholesalers Division

Resp to Costco RFP 1568